



The President's Daily Brief

March 28, 1975

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March 28, 1975

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MIDDLE EAST

We present here the major judgments from the latest estimate on the Middle East which was approved yesterday by the intelligence community.

Military readiness on both the Sinai and the Golan fronts is at an increased level in the aftermath of the breakdown in disengagement negotiations. In this situation, there is a substantial chance that either the Arabs or the Israelis will deliberately or by miscalculation resume hostilities at any time. Indeed, we have disturbing indications on the Egyptian front that raise the possibility of an Egyptian-initiated attack or an Israeli preemption within the next few days.

Barring this eventuality, we believe that if there is no negotiating progress by early summer, the odds are high that Egypt and Syria will open hostilities on both fronts and even higher that Israel will fail or refuse to distinguish between real and imagined provocations and will strike first.

If arrangements are well under way within the next few weeks, the Geneva conference could provide the opportunity for further discussion of serious issues and buy time against the renewal of hostilities. But we believe that unless the Arabs moderate their terms for attendance of the Palestine Liberation Organization, Israel is unlikely to go to Geneva. Even if the conference can be convened, the respite gained for serious negotiating will be brief--perhaps less than a month--and we have little optimism that significant progress can be made. The positions on both sides are very likely to harden in a Geneva forum.

Egypt will probably extend the UN mandate for a limited period if the Geneva conference is in session or a date for it has been set by late April when the mandate expires. Further extensions are less likely, however, and would probably be taken only in conjunction with Syria. For its

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part, Syria will probably renew the mandate on the Golan Heights only for a limited period and only if provision has been made for the PLO to attend the Geneva conference. Cancellation of the mandate could provoke an Israeli attack, but the Syrians can now count on Egyptian military support and both will run this risk in the absence of diplomatic movement by late May.

Egypt and Syria might urge Saudi Arabia to impose an oil embargo and/or production cut before they ventured to reopen hostilities. It is doubtful, however, that the Saudis would use the oil weapon except in the event of renewed warfare. A war would almost certainly overcome Saudi hesitation. The Saudis are not likely to employ price hikes or their financial power as political weapons.

Despite the suspension of the step-by-step negotiating process, we believe President Sadat will try to preserve what he can of Egyptian-US friendship and cooperation. But he is likely to come under heavy pressure both at home and from other Arabs to cool the relationship significantly.

This will not necessarily lead to a significant warming in relations with the Soviets. Some surface patching up of differences is likely to be attempted, especially if the Egyptians expect new fighting and anticipate a need for Soviet resupply, but the effect will be limited.

In the event of another war and barring a decisive defeat, Sadat will probably continue to look primarily to the US to mediate a settlement, attempting to remain independent of Soviet influence.

From the Soviet standpoint, the suspension of disengagement negotiations is a significant plus, but it is not without problems. The Soviets know that, if any progress is made at Geneva, the Arabs will tend to credit the US for Israeli concessions.

If, as seems likely, the Geneva conference is unable to narrow Arab-Israeli differences,

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the Soviets will be under some pressure from the Syrians and other Arabs to improve Egypt's capability for war. If war breaks out, the Soviets would resupply.

While the Soviets would probably prefer to avoid war, we do not expect that they would make a strong effort to deter the Arabs. Should a decisive Israeli victory loom, the likelihood of Soviet military intervention--probably initially in a defensive posture--is higher than in October 1973.

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SOUTH VIETNAM

The evacuation airlift continued yesterday, but civil order and military discipline in Da Nang have deteriorated drastically. Although Saigon reportedly has instructed the regional commander to give the highest priority to security of the airfield, troops that were defending the city reportedly have broken and are out of control.

Saigon is hurriedly formulating plans to re-deploy the four South Vietnamese divisions that are besieged in the northern provinces. General Vien, the chairman of the Joint General Staff, does not believe Da Nang can be held and expects to move the Marines and one division to the Saigon area and relocate two other divisions to the central coast. General Vien believes that the North Vietnamese will rapidly send in-country units southward to exploit the disarray among government forces.

* * *

The collapse of the government's forces in the northern two thirds of South Vietnam has occurred with such speed that the full magnitude of the disaster has not yet registered in Saigon. Official suppression of the worst news has helped to keep the average man in the street only vaguely aware that the situation is serious.

President Thieu is apparently concerned over the announcement by former premier and vice president Ky that he was coming out of retirement to engage in political activity. The arrest hours later of a number of political figures amid press charges of coup plotting was probably intended as a warning to all potential coup plotters, including Ky and his friends.

There is currently no evidence of active plotting among those who actually have the capability to stage a coup--the senior military leadership. Indeed, there seems to be some recognition that any instability at this time could be very dangerous. Many senior officers, however, are deeply ashamed at the failure of the armed forces to protect civilians fleeing the communists, and they are bitter at Thieu over the collapse of so much of the military structure in the north. With this mood growing

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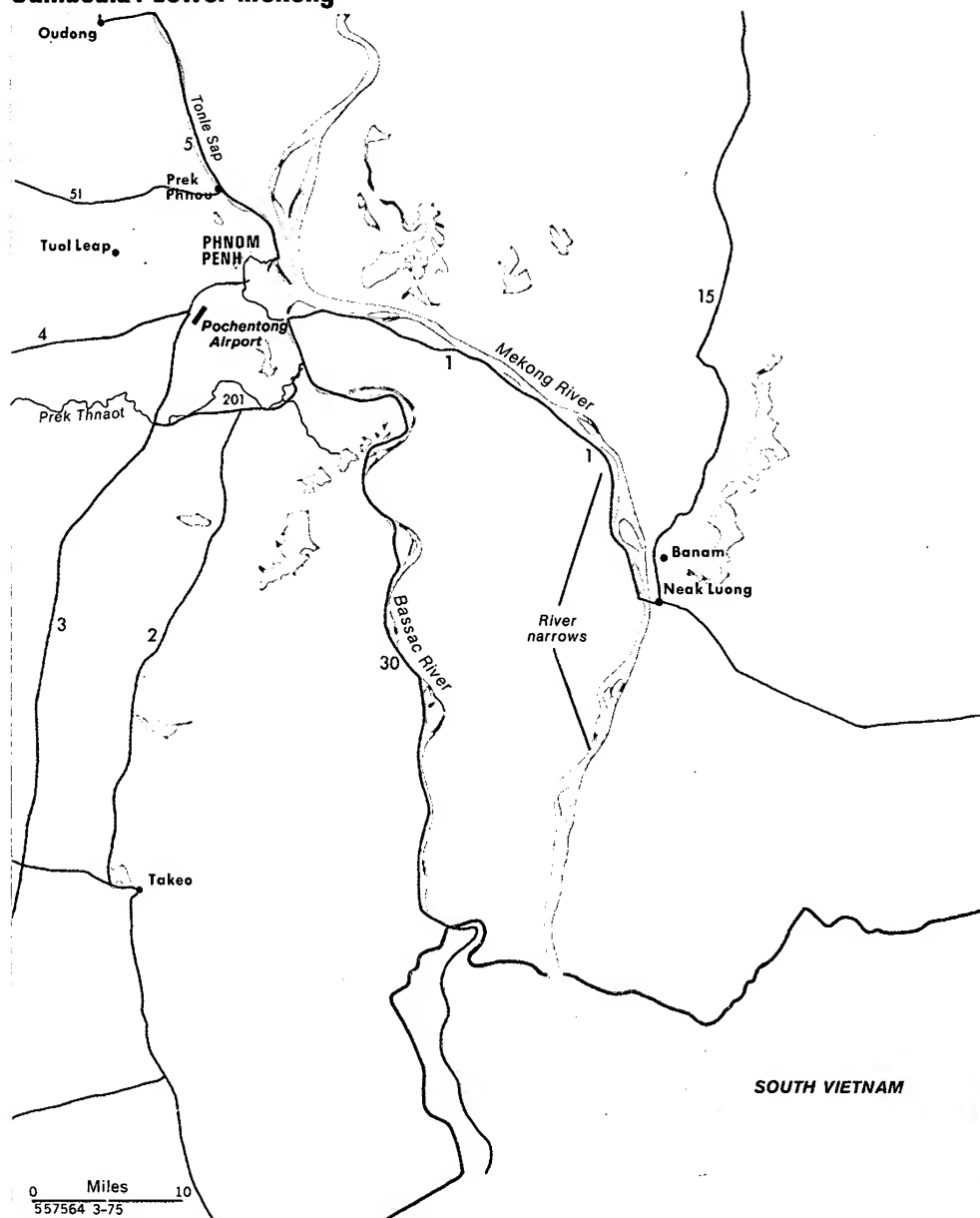
among the military, it is probably only a matter of time before an attempt is made to organize a move to oust Thieu and replace him with a senior military leader.

As news of the government's losses spreads in the south, the popular mood in Saigon could turn ugly. The communists are trying to add to the discord by offering amnesty to those who take even limited steps toward accommodation with the Provisional Revolutionary Government.

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Cambodia: Lower Mekong



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CAMBODIA

Khmer communist gunners are continuing to fire both artillery shells and rockets into Pochentong Airport, temporarily interrupting the US airlift. No US aircraft were at the airport when the shelling resumed early this morning.

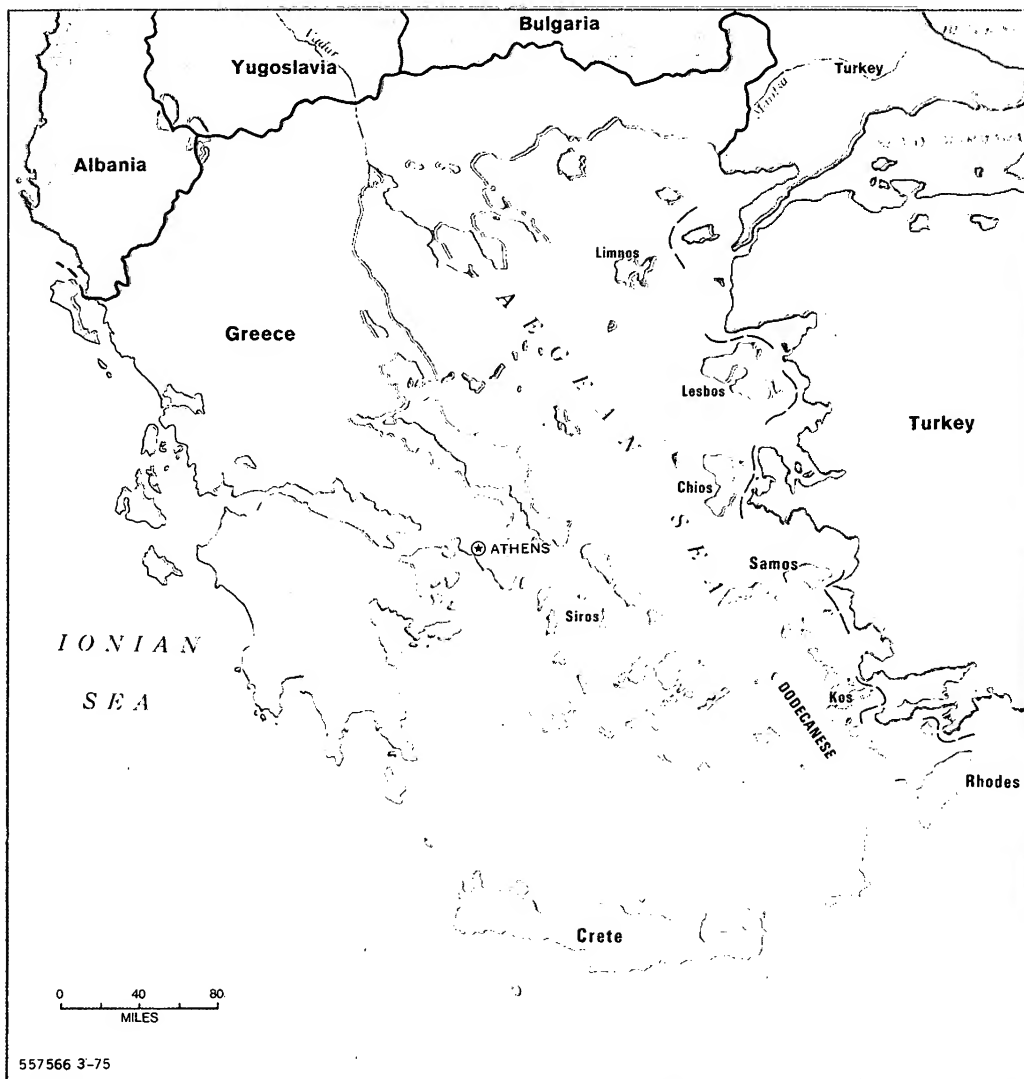
[] Cambodian army ground operations to reoccupy the Tuol Leap staging area northwest of the airfield are registering few gains against heavy resistance.

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Government forces at the isolated lower Mekong River enclave of Neak Luong have recaptured one of the three defensive positions northeast of the town that fell on March 25. There are strong indications, however, that a major communist assault against Neak Luong may be imminent. According to intercepted messages, insurgent forces plan to launch the attack tonight and hope to take the town within one week.

* * *

The Soviet Union is removing its remaining personnel from Phnom Penh. The Soviet embassy has been in caretaker status since 1973, when the USSR allowed Sihanouk's government in exile to open an office in Moscow. The Soviets did not, however, sever formal ties with the Lon Nol government and permitted Cambodia to maintain an embassy in Moscow.



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GREECE-TURKEY

The Greek government's mild reaction last week to alleged Turkish violations of Greek airspace has now hardened to a point that could lead to an incident.



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Missile units in Greece are reported to have been ordered to prepare to react [redacted] fighter aircraft have been moved to the island of Limnos. These are the first fighter aircraft to be sent to any of the Greek islands close to the Turkish mainland. Greek military leaders believe these moves are necessary to ensure that Ankara will not take the previous mild Greek diplomatic protests as a sign of weakness.

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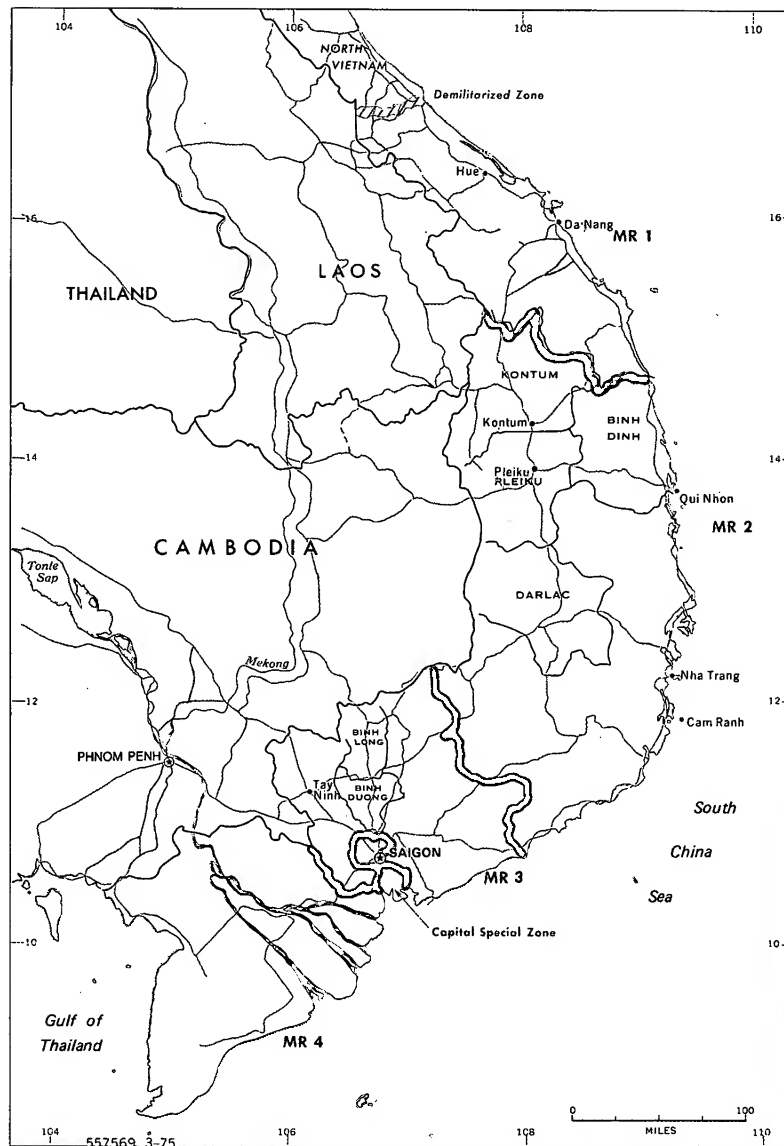
There was another incident yesterday when Greek planes drove off Turkish aircraft that had briefly passed over Greek islands. The Greek foreign ministry is studying a detailed report from the defense ministry before proceeding with any diplomatic actions.

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NOTE

The US-USSR joint commercial commission will meet in Moscow on April 10 for the first time since the termination of the 1972 trade agreement at the turn of the year.

The Soviets will probably be more confident negotiators than in the past, acting on the conviction that their bargaining position vis-a-vis the US has improved considerably in recent months. They expect economic recession in the West to spur the US to seek Soviet orders, and anticipate that competition for the Soviet market from other Western countries will also stimulate American trade concessions. The Soviets remain keenly interested in expanded trade with the US, and continue to prefer the US as the source of most capital goods and technology.



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VIETNAM

The situation in South Vietnam has rapidly deteriorated since President Thieu's decision in mid-March to shift to a strategy of military retrenchment. The following assessment of the situation and analysis of South Vietnam's prospects for this dry season was approved yesterday as a special estimate by the United States Intelligence Board.

I. THE MILITARY SITUATION

The Northern Coast

The situation is especially bleak in Military Region 1. The government has conceded virtually the whole region to the communists, and South Vietnamese forces are now moving to an enclave around Da Nang. The remnants of two of the four South Vietnamese divisions in Military Region 1 are scattered, and the communists are harassing them as they pull back toward Da Nang. It is questionable if the bulk of these troops will reach Da Nang, and the government will be hard pressed to defend the city without them. The communists, on the other hand, have two fresh divisions west of the city, and they are preparing to attack Da Nang. In addition, the North Vietnamese 320B Division--one of Hanoi's five remaining reserve divisions--is moving south.

The Central Coast

The government's military position in Military Region 2 has also deteriorated rapidly. The South Vietnamese have abandoned five highland provinces and large parts of several others, and government troops do not appear to be capable of standing up to the communists. The South Vietnamese 23rd Division and two ranger groups were badly mauled in the fighting in Darlac Province, and five of the six ranger groups withdrawing from Kontum and Pleiku are in disarray. Large quantities of munitions and fuel were abandoned at Kontum and Pleiku cities.

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Communist attacks on the retreating column destroyed or damaged hundreds of pieces of equipment, and South Vietnamese troops abandoned large amounts of hardware along the road--all of which was needed to defend the coastal lowlands.

The North Vietnamese are far stronger than the remaining government forces and are in a position to deal a decisive blow in this region. The government has just over one effective division in Military Region 2, compared to five North Vietnamese divisions; moreover, large numbers of replacements have arrived in the highlands from North Vietnam. Nha Trang, the military headquarters for the region, is lightly defended and probably will fall.

The South

The fighting has eased somewhat north of Saigon, but the situation remains serious. The government is in the process of withdrawing from Binh Long Province and has had losses in western Binh Duong Province. The communists have thus far avoided a frontal assault on Tay Ninh City, but several communist divisions and independent regiments are pressing against government troops from three sides. Since the city will be costly to support and defend and most of the population has already fled, serious consideration is being given to abandoning this provincial capital and drawing new defensive lines in the southeastern portion of the province. In addition, recent communist gains east of Saigon have forced the South Vietnamese region commander to divert some troops from the Tay Ninh front and Saigon, and this has limited his capabilities to launch a counterattack north and west of the capital.

In the delta, the situation is, for the moment, relatively stable. Many of the communist main force units suffered heavy losses in the fighting around the turn of the year, but they are now rebuilding. This stable situation, however, could quickly change should Saigon move any sizable forces from the delta to bolster the defenses of Military Region 3.

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II. THE IMPACT OF THIEU'S STRATEGY

Thieu decided to evacuate the highlands and concentrate his forces along the populated coast and around Saigon because he felt they were overextended, faced with a greatly superior North Vietnamese army force, and confronted with the prospect of dwindling US aid. He clearly hoped to take the communists by surprise, extracting his forces intact and ready to fight before the communists could react. Thieu probably also calculated that by making his decision secretly and presenting it to his senior military commanders as a fait accompli, he would forestall any coup plotting by them or a direct refusal to carry out his orders.

The result, however, was that Thieu took his own forces by surprise as much as he did the communists.

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Without any prior planning or clear indication of the limits of the withdrawal, the re-deployments have been generally disorderly. In the northern two thirds of the country, most government forces are cut off from each other and seized with an evacuation mentality. Under these conditions, some units have refused to fight.

The senior military leadership clearly has been caught off balance by the direction which events have taken, and their reaction has been one of dismay and depression. These attitudes also are reflected through the ranks.

Grumbling against Thieu's leadership has grown in the wake of military reverses, but events have moved so rapidly that there has been little coup talk. It is widely recognized that a coup at this time would be disastrous.* But the situation is such that pressures for Thieu's resignation or forcible removal could quickly emerge.

**The South Vietnamese government move on March 27 to arrest "plotters" against the government was basically a warning to opposition elements; those involved did not represent any serious threat to Thieu.*

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A source of disorder lies in the refugee problem which has caught the government ill-prepared to cope with the massive numbers of refugees generated in military regions 1 and 2. According to the latest estimates, there may now be upwards of a million displaced persons crowded into Da Nang awaiting evacuation to coastal Military Region 2. But the government has inadequate resources to accomplish this mass evacuation in a short period, and there is a serious risk of riots and fighting in the rush to evacuate. Moreover, those who are brought out may have to be moved again--thereby creating additional pressures on the government.

Apart from the reverses suffered in South Vietnam, there are external factors which could further undermine the South Vietnamese government. The collapse of Cambodia, for example, would bring added psychological pressure on Saigon. The continuing debate in the US on the question of US aid to South Vietnam is also an unsettling factor. Thieu probably assumes that he will have to rely on what he already has; but if the South Vietnamese in general come to believe that the US will not respond with additional assistance to meet the new situation, this will fuel defeatism.

III. PROSPECTS

The communists have the capability to exploit their gains, and we believe they will. In so doing, they will try to destroy the remaining government forces in military regions 1 and 2. At the moment, the situation in Da Nang is chaotic. Considering the forces that North Vietnam can bring to bear against Da Nang, the poor state of South Vietnamese armed forces defenses there, and the widespread panic in the city, its defenses could simply collapse. In any event, it will be lost within two weeks to a North Vietnamese attack, perhaps within a few days if the Marine division is removed from the city's defense. Thieu is already considering this move; his strategy has been to save his forces from being destroyed in overextended positions.

In Military Region 2, the thinly stretched government forces will be no match for the five North Vietnamese divisions. There are already

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indications that the communists are planning to attack several major population centers in the region. In the face of strong communist attacks, the South Vietnamese will be unable to maintain these enclaves.

In military regions 3 and 4, the government currently has a substantial edge in forces and is expected to maintain a strong defense line around the heavily populated and rice growing areas, but some retraction of defenses is probable. Tay Ninh City has been a major goal of the communists this dry season. The South Vietnamese have fought hard to hold the city thus far, and we believe they can continue to do so, although they may decide to abandon the city because of the risks and costs involved in defending it.

In sum, the South Vietnamese withdrawals amount to a major defeat. As matters now stand, Thieu is faced with:

--Reasserting effective control over his commanders.

--Extracting key force elements and equipment from military regions 1 and 2.

--Organizing a strong defense of the Saigon area and Military Region 4.

Communist momentum, however, will be hard to stop, and the North Vietnamese may be tempted to commit the remaining portion of their strategic reserve to exploit the situation. Even if they do so, we believe that the South Vietnamese government's military strength in the southern part of the country will enable it to survive the current dry season, although additional losses are certain.

Logistic factors, for example, would probably bar a quick assault on Saigon since the communists now lack supply stocks in forward positions in Military Region 3, and their prepositioning will be

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time consuming. In addition, even the decision to commit the strategic reserve means that forces will have to be marshaled and deployed. In so doing, the communists will run into time and distance factors, and the complexities of assembling units and moving them over long lines of communications in an environment where rapid or orderly deployment is inhibited. Finally, the South Vietnamese forces in military regions 3 and 4--including the territorial forces--remain intact and able to give a good account of themselves.

Even so, the South Vietnamese government will probably be left with control over little more than the delta and Saigon and surrounding populated areas. It would thus face further communist pressure from a position substantially weaker than our previous estimates, with the result likely to be defeat by early 1976. The communists will keep up their military pressure to topple the South Vietnamese government by outright defeat, unless there have been political changes in Saigon that open the way to a new settlement on near-surrender terms.

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